

**POOLED MONEY INVESTMENT BOARD**  
**915 Capitol Mall, Room 587**  
**Sacramento, CA 95814**

**MINUTES**

Wednesday, August 15, 2018

The meeting was called to order at 10:00 a.m.

Roll: Tim Schaefer for State Treasurer John Chiang  
Richard Chivaro for State Controller Betty T. Yee  
Jacqueline Wong-Hernandez for Director of Finance Michael Cohen

Staff Present: Tracey Paine, State Treasurer's Office  
Tranice Hickman, State Treasurer's Office  
Catherine Brown, Attorney General's Office

**MINUTES**

Ms. Jacqueline Wong-Hernandez moved to approve the minutes for the July 18, 2018 meeting. Upon a second by Mr. Schaefer: the motion passed 2-0 with the following votes: Mr. Schaefer: yes; Ms. Wong-Hernandez: yes.

**PMIB DESIGNATION**

Ms. Tranice Hickman of the State Treasurer's Office presented a Portfolio Summary Report as of July 31, 2018. On that day, the portfolio stood at \$89.969 billion. The effective yield was 1.976%, the quarter-to-date yield was 1.944% and the year-to-date yield was 1.944%. The average life of the portfolio was 194 days. AB55 Loans approved were \$778 million, with a disbursed amount of \$378 million. The Local Agency Investment Fund had \$20.669 billion total deposits, with 2,403 total participants.

Mr. Amin Pirasteh of the State Treasurer's Office Centralized Treasury and Securities Management Division presented a summary of forecasted revenue changes in the portfolio for the Pooled Money Investment Account (PMIA) for the period August 13, 2018 through October 19, 2018. Anticipated receipts for this ten-week period total \$56.291 billion. Mr. Pirasteh highlighted the key receipts.

Ms. Mi Hoang of the State Controller's Office, Cash Management Bureau and State Accounting and Reporting Division continued the presentation. Ms. Hoang highlighted the major disbursements anticipated for the reporting period of August 13, 2018 through October 19, 2018. Projected disbursements for the ten-week period total \$64.838 billion.

Ms. Hickman presented Designation No. 1830. In accordance with Treasurer's Office policy, the recommended deposit in demand bank accounts as Compensating Balance of Services is \$347,800,000.

Ms. Wong-Hernandez moved to approve Designation No. 1830. Upon a second by Mr. Schaefer the motion passed 2-0 with the following votes: Mr. Schaefer yes; Ms. Wong-Hernandez: yes.

## **DECLARATION OF SURPLUS MONEY/REDUCTION OF SURPLUS MONEY**

(Note: Mr. Chivaro joined the meeting in progress at this point.)

Ms. Hickman presented the changes in the Surplus Money Investment Fund for the period July 1, 2018 through July 31, 2018. Declaration of Surplus Money was in the amount of \$11.267 billion. A reduction in Surplus Money was in the amount of \$8.271 billion. An attached list from the State Controller's Office showed the breakdown.

Ms. Wong-Hernandez moved to approve the Surplus Money Declaration/Reduction for the month of July. Upon a second by Mr. Chivaro the motion passed 3-0 with the following votes: Mr. Schaefer: yes; Mr. Chivaro: yes; Ms. Wong-Hernandez: yes.

## **SURPLUS MONEY INVESTMENT FUND REQUEST (SMIF)**

Ms. Hickman presented two requests to participate in the Surplus Money Investment Fund:

Department of Transportation  
Advance Mitigation Account, State Transportation Fund  
Fund Number: 2504

Department of Housing and Community Development  
Building Homes and Jobs Trust Fund  
Fund Number: 3317

Mr. Chivaro moved to approve staff recommendation of the Surplus Money Investment Fund participation requests. Upon a second by Ms. Wong-Hernandez, the motion passed 3-0 with the following votes: Mr. Schaefer: yes; Mr. Chivaro: yes; Ms. Wong-Hernandez: yes.

## **AB55 LOAN PROGRAM (Government Code § 16312)**

Mr. Matt Lehtonen, with the Public Finance Division in the State Treasurer's Office presented the PMIA loans monthly report. Staff recommended approval of the two loan renewal requests (Items 6.a and 6.b) on the agenda in the amounts shown on column f of Exhibit A to the staff report. Item 6.a reflects increases necessary to continue construction. Items 6.b reflects increases necessary to continue design-build. All items will pay accrued interest and administrative costs. Mr. Lehtonen reported that the loan requests were in compliance with the current AB55 Loan Policy and upon approval would result in an increase to the outstanding loans balance of \$13,266,000.

LOAN RENEWAL REQUESTS

	<u>PMIB Loan No.</u>	<u>Department</u>	<u>Amount</u>
a.	1890002	Department of Corrections and Rehabilitation SPWB Lease Revenue Bonds Kings County Adult Local Criminal Justice Facility	\$19,043,000.00
b.	1890003	Department of Corrections and Rehabilitation SPWB Lease Revenue Bonds Santa Clara County Juvenile Project	11,614,000.00

Mr. Chivaro moved to accept the staff recommendation and approve the two loan renewal requests. Upon a second by Ms. Wong-Hernandez, the motion passed 3-0 with the following votes: Mr. Schaefer: yes; Mr. Chivaro: yes; Ms. Wong-Hernandez: yes.

**PUBLIC COMMENT**

There was no Public comment. However, Mr. Tim Schaefer acknowledged that Ms. Hickman would be departing the State Treasurer's Office and congratulated her on her new position with CalPIA.

**ADJOURNMENT**

In the absence of further business, the meeting was adjourned at 10:15 a.m.

Respectfully submitted,

---

Tracey Paine  
PMIB Administrator